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STATE FOR ISN/CB, VCI/CCB, L/ACV, IO/S SECDEF FOR OSD/ISP JOINT STAFF FOR DD PMA-A FOR WTC COMMERCE FOR BIS (GOLDMAN) NSC FOR LEDDY WINPAC FOR WALTER

E.O. 12958: N/A
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SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC): WRAP-UP FOR THE
WEEK ENDING JULY 6

This is CWC-63-07.

REVCON WORKING GROUP - FINAL FIRST ROUND MEETING

- 11. (U) On July 3, Amb. Lyn Parker (UK), the RevCon Working Group Chair, convened a meeting to discuss: the list of potential NGOs to be invited to a meeting with States Parties on 19 November; the final CWC clauses (Articles XII to XXIV); the protection of confidential information; and the functioning of the OPCW.
- 12. (U) In preparation for the NGO discussion, the most recent list of NGOs prepared by the UK delegation removed the ICRC and the Sunshine Project, at U.S. request. The format of the document made it obvious that some NGOs had been removed. During the NGO discussion, the chair identified them at South Africa's request. Although the list was notionally finalized during this meeting so that the Technical Secretariat can start its invitation work, South Africa reserved the right to revisit this in the future, after they had reaction from Pretoria on the deletions. Amb. Parker also made it clear that additional NGOs could be considered for additional in the future, if identified. Given that nearly all of the NGO papers submitted to date are from Western NGOs, Amb. Parker encouraged delegations to encourage their national NGOs to prepare documents for consideration. (It should be noted that, following the meeting, Canada and Germany expressed their displeasure at the U.S. deletion of the ICRC privately to delrep.)
- ¶3. (U) During the discussion of the final CWC clauses, del rep deployed guidance, including the announcement of a forthcoming national paper on the topics of the day. There were no other interventions.
- 14. (U) During the discussion of confidential information, del rep presented the relevant items from guidance. Although generally happy with the TS handling of confidential information, India stressed the importance of these matters and pointed out that the classification of national information is often a matter of legislation and can only be decided by States Parties. India called for reiterating the recommendations from the First RevCon, along with asking for

more information from the TS about progress on electronic declarations and ISO 17799 standards. Japan pointed to the still outstanding issue of long-term handling of confidential document, emphasizing the point that a large percentage of these documents are industry-related.

- 15. (U) During the discussion of the functioning of the OPCW, the UK delegation pointed out three areas of focus: (1) inspection equipment (see UK paper), (2) timely circulation of documents to the policy-making organs, and (3) the effectiveness of the decision-making process by the policy-making organs. Del deployed its relevant guidance. India expressed its concern that the list of outstanding issues remains virtually unchanged from the First RevCon, encouraged enhanced interaction between the Scientific Advisory Board and delegations, welcomed results-based budgeting and encouraged early involvement by delegations in the budgeting process, and encouraged input from the host-country working group into the RevCon process. The Netherlands encouraged further public outreach about the OPCW and its work, and even suggested finding ways to use the presence of inspectors in far-flung communities as an opportunity to increase outreach.
- 16. (U) Japan encouraged reinforcing the non-proliferation effects of the CWC (within existing resource limitations), the need for prioritization and constant review, and closer cooperation with other international organizations to avoid duplication of efforts (e.g., 1540 Committee). France encouraged evaluated staff policies (e.g., tenure) as a way to keep highly-qualified staff; they also emphasized links to prevention of terrorism, such as the work of other international organizations (e.g., 1540 Committee). India was satisfied with implementation of the tenure policy and

recognized the success of finalizing the financial rules; they also encouraged wider geographic representation within TS staff, including within the various divisions, something

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that was echoed by South Africa. South Africa went on to encourage the working in of the tenure policy into staff contracts to allow them more confidence and planning ability; they also encouraged more use of electronic communication (e.g., dual system of e-communication and fax; allowing those States Parties that want to have e-mailboxes on the external server).

- 17. (U) China expressed satisfaction with results-based budgeting, encouraged interaction with other international organizations (especially those focused on the peaceful uses of chemistry, etc.), and encouraged equal recognition of all official UN languages. Austria stressed that the quality of candidates take first priority over geographic distribution, marked the improvements stemming from RBB, and stressed the impact of non- and late-payment of assessments, pointing to repayment plans. Germany encouraged timely reporting of advisory bodies to SPs, encouraged continual enhancement of the recruitment process (e.g., shorter vacancy times), encouraged increased training (particularly for inspectors and those dealing with confidentiality), and enhanced outreach efforts, particularly to the media.
- 18. (U) Parker pointed out that this ended the "first round" of meetings and that meetings would resume in September, with six working group meetings in the second half of the year. There was some discussion about the timing and length of meetings South Africa suggested more time between ECs and working meetings to allow better preparation, Australia suggested having meetings closer to ECs to allow more participation from capitals, and India suggested the possibility of two-day meetings to allow follow-on thoughts and more incentive for experts from capital to participate. The chair committed to none of these but said they would be considered to the extent possible, particularly in light of an already very busy fall calendar.

- 19. (U) The key points of the first budget consultation, held on July 4 were:
- -- All delegations are happy about a zero nominal growth
- -- WEOG plus some others want more OCPF inspections; the PRC and Iran object.
- -- The PRC and Iran are trying to argue that the risk assessment discussions drive the OCPF numbers; WEOG and others strongly disagree.
- -- Canada and a few other delegations are questioning the request for two additional permanent positions.
- 110. (U) The budget co-facilitators (Donggy Lee of South Korea and Diana Gosens of the Netherlands) opened the meeting by laying out their proposed time-table for budget consultations:

Wednesday, August 29 - Verification

Wednesday, September 5 - Inspections Wednesday, September 12 - ICA

Friday, September 14 - Wrap-Up

Wednesday, September 19 - PMO, ERD, Executive Management and Administration

Friday, September 21 - Wrap-Up

- (U) In the first round of commentary:
- -- DDG Freeman began the discussion by quickly reviewing the highlights of the DG's comments when presenting the budget. He noted that the estimate for the cost of the RevCon was 772,000 Euros.
- -- Del rep noted that the U.S. would be providing detailed comments to the co-facilitators and the TS. The U.S. welcomed the increase in inspector training funds, would like to see the SAB funded for two meetings and temporary working groups in 2008, and wanted more OCPF inspections. Del rep asked the TS to provide an assessment of what would be
- involved if, staying within a ZNG budget, the overall ceiling of industry inspections were increased slightly beyond 200.
- -- Belgium came in to support more OCPF inspections.
- -- The UK chimed in on that point, and specifically said that there was little utility in maintaining the same level of Schedule 1 inspections.
- -- Canada asked about the impact of the stronger Euro on TS expenses. It also expressed support for an increase in OCPF inspections. There is no need for a big increase, but the number of OCPF inspections is still nowhere near where it should be. It also expressed support for increased inspector training, and said that more work needed to be done to fine-tune use of Results-Based Budgeting. Canada then came down hard asking about two additional permanent fixed-term positions, noting that when the planning for the OPCW building was under way, there was no/no conceivable way the TS would have more than 500 permanent staff. Canada hoped

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the TS could meet its needs by redeploying staff, rather than adding staff.

- (U) The DDG expressed thanks on support for increased inspector training. On the number of OCPF inspections, Freeman reiterated the DG's points about why he thought it best to keep the industry inspection levels the same in 2008; namely that he had just issued the note on the revisions to the OCPF site selection procedure. The DDG promised to provide a detailed justification for the two new permanent positions. The TS then added that the exchange rate has had minimal impact on salaries, and only a slight impact on pensions.
- (U) In the next set of comments: -- Germany emphasized the need for timely payments of assessed contributions and Article IV/V bills. It also said the proposed budget has a good balance between Chapters 1 and $\underline{\P}2$. It then said that it understood there was a large change in inspector days for industry inspections (not the total

- number of inspections) and asked the TS for a clarification. -- Japan chimed in on the need for more OCPF inspections and requested a re-allocation of inspections within the 200 inspection ceiling. It then asked about the incremental cost of making two Temporary Assistance Contract positions full-time.
- $\mbox{--}$ France also supported more OCPF inspections and seconded Germany's question about inspector days.
- -- South Africa began by welcoming the increase in ICA. It also expressed satisfaction with the number and allocation of industry inspections, particularly due to the DG's change on site selection. It emphasized that due to the substantial increase in the number of OCPF facilities, increases of inspection numbers alone will not address concerns of States Parties. There needs to be a better way to target and focus OCPF inspections.
- 114. (U) The DDG came in to respond to the FRG by noting that it did not seem reasonable to have (as is the case for one individual) a person stay as a TAC for some 7-8 years. In response to Japan, he said that there is a small increase in cost on turning a TAC into a fixed-term position. On South Africa's point about OCPF inspections, the DDG said that the DG had emphasized that this would be a good time for a "pause."
- 115. (U) In the next round:
- -- India limited itself to just saying it would be willing to discuss industry inspections.
- -- Iran said it appreciated the increased funding for ICA, and linked it to universality efforts. On industry inspections, Iran said the big increase in OCPF inspections for 2007 was an exceptional measure and tied to the discussions on risk assessment chaired by CSP Chair Dastis (Spain). As there had been no conclusion with regard to risk assessment, there was no reason the OCPF inspection numbers should go up. Further, a better explanation would be needed on the impact of the DG's decision on site selection. Iran concluded by asking how the Article VII-related increases are to be utilized.
- -- China expressed support for a ZNG budget and increased inspector training. On OCPFs, China also said it accepted
- 2007 numbers on the understanding that there would be a clarification in consultations. Those have not yet reached a conclusion or consensus. And with the DG's new site selection decision, it is not acceptable to increase OCPF inspections.
- -- The Netherlands asked the TS for an overview of voluntary contributions. On Article VII, it supported the proposed expenditures. On OCPF, it said that this number might be acceptable if/if SPs were given information that would allow for proper consideration of which OCPF sites warranted greater concern.
- -- Tunisia welcomed the increase in ICA. On the permanent positions, it also asked for a clarification, adding, however, that there should not be inflexibility on a staff ceiling. It also supported the increase in funding for the SAB in 2008.
- -- Australia said it wants an increase in OCPF inspections and would want to see more information on how the increase in ICA would be utilized.
- -- Italy said that the RBB performance report is important. (South Africa came in later to support Italy on that point.) It also supports more OCPF inspections and also wants an explanation of the ICA increase.
- 116. (U) Responding to the Netherlands, the DDG said that voluntary contributions are noted in the various TS documents. With regard to more detailed information, that would involve getting approval from the contributors before disseminating that information. Finally, the DDG emphasized that the inspection numbers are decided in the budget, and not in any other forum.

- 117. (U) Facilitator Said Moussi (Algeria) convened a meeting on July 5 to simply go over past activities and discuss future activities.
- -- External Relations Division director Liu Zhixian gave a recap of the Algiers workshop. He then went on to recount various meetings in Brussels with embassies of non-SPs as well as the office of the African Union. There had been discussions directly with non-SP capitals. Liu also said that there would be another regional meeting covering the Middle East, but the venue and timing were still to be determined. The TS would also be working to get invitations for visits to non-SPs (he highlighted Myanmar, Angola, Guinea-Bissau).
- -- Chief of cabinet Rafael Grossi recounted the DG's talks with the Israelis (in The Hague) and Egypt (in Cairo). He also expressed appreciation to various delegations, specifically citing the U.S., that had provided assistance in the field (highlighting meetings in central Africa).

 -- On the Algiers workshop, the Netherlands said it was a good program, and the Comoros, Burkina Fasso and Liberia seemed particularly engaged. The Dutch suggested contacts with Parliamentarians in these and other cases to try to further non-SP interest.
- -- Belgium called for more SPs to contribute to the universality effort.
- -- Switzerland seconded that motion calling on SPs to make their pitch directly to non-SPs.
- 118. (U) In response to various questions, Liu said that non-SPs have attended the CSP in the past and funding has been set aside if there are requests from non-SPs for this year's CSP. On a question about the UN-OPCW high-level meeting in September, Liu said the DG always schedules bilateral meetings with non-SPs as part of his trips to New York. After Moussi asked delegations to give more thought on how to proceed on universality before the CSP as well as preand post-RevCon, Iran said that the TS should prepare recommendations on a program of activities to guide delegations. Malik Ellahi of ERD responded on behalf of the TS stating that the TS has a report it is mandated to

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produce. And it is certainly incumbent on the TS to keep delegations informed. However, it is up to SPs to decide on

political issues, such as how to proceed on universality in the run-up to, and after, the RevCon.

19. (U) Ito sends. GALLAGHER